

SENATE BILL 3340

By Ketron

AN ACT to amend Tennessee Code Annotated, Title 67,
Chapter 2, Part 1, relative to the application of the
income tax to certain forms of business.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 67-2-104(e), is amended by adding
the following as new subdivision (19):

(19) The tax imposed by this chapter shall not apply to a sole proprietorship. For
purposes of this subdivision (e)(19), "sole proprietorship" means a form of business
owned by one (1) person in which such person owns all the assets of the business.

SECTION 2. This act shall take effect upon becoming a law, the public welfare requiring
it.